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Solutions to Expand Jobs & Grow the U.S. Economy

September 21, 2016

Smart Reforms Needed to Support a Modern, Competitive Business Environment, Engler Tells House Financial Services Subcommittee

Business Roundtable President Details Solutions for Advancing Long-Term Economic Interests of Shareholders, Employees and Consumers

In [testimony](#) today at a House Financial Services Subcommittee hearing on corporate governance, **Business Roundtable President John Engler** urged a renewed commitment to the bedrock materiality standard for public company disclosure requirements. This will help ensure the investing public benefits from useful, clear disclosures.

Engler also outlined the Business Roundtable proposals for modernizing the misuse of the shareholder proposal process to encourage long-term value creation, stating:

“Responsible shareholder engagement is essential for a company to perform at a high level. ...

“The current shareholder proposal process has been hijacked by corporate gadflies and political activist investors. These individuals often have insignificant economic stakes in target companies, owning only the minimal amount of shares that it takes to file shareholder proposals. ...

“It has become enormously expensive for corporations to manage and respond to these types of shareholder proposals, and these costs may be passed along to ordinary investors.”

Read about the Business Roundtable proposed reforms in Engler’s written testimony [here](#).

Last month, [Business Roundtable](#) released the updated edition of [Principles of Corporate Governance](#), providing America’s public companies with leading guidance for upholding the highest ethical standards. The new report, which spotlights top governance issues driving business decision-making today, is available [here](#).

*Business Roundtable has solutions to accelerate job creation and grow the U.S. economy over the long run. **Learn about them at: brt.org/growth.***

Business Roundtable CEO members lead companies with \$7 trillion in annual revenues and nearly 16 million employees. Business Roundtable member companies have a combined stock market capitalization of \$7.9 trillion and invest \$129 billion annually in research and development. Our companies pay more than \$222 billion in dividends to shareholders and generate more than \$495 billion in sales for small and medium-sized businesses annually. Business Roundtable companies also make nearly \$8 billion a year in charitable contributions.

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